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Charlotte Davis, Executive Director

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Testimony in Support of

Senate Bill 476 – Alcoholic Beverages – Manufacturer's Licenses and Off- Site Permits

Senate Education, Health, and Environmental Affairs Committee

March 04, 2022

The Rural Maryland Council supports Senate Bill 476– Alcoholic Beverages – Manufacturer's Licenses and Off- Site Permits. This bill will extend provisions of the Executive Order privileges put in place during the pandemic for the State's wineries, breweries, and distillers to distribute their product. This bill will allow a holder of a manufacturer's license to deliver their product to an individual located in the State and directly ship their product to a consumer upon request. These provisions were extended last year though Chapters 359 and 360 but are set to end on December 31, 2022. This bill will allow the provisions to be extended until June 30, 2023.

Maryland's distilleries, wineries, and breweries promote economic development, value-added agriculture, and manufacturing as they not only produce beverages but create destinations that attract tourists. According to data from the *Value-Added Agriculture in Maryland* by Grow & Fortify and BEACON, the combined value-added impact of these three industries was over \$1 billion in 2018, supporting more than 9,500 jobs, and adding an estimated \$52 million to state and local tax revenue. The pandemic greatly impacted this industry with close to 500 layoffs. The authorization for direct-to-consumer delivery and shipment services has created a new lifeline for sales and kept many doors open during these unprecedented times.

The Rural Maryland Council supports the value-added agriculture industry as it enables farms to transition into diversified production. SB-476 further enhances this type of agriculture by providing delivery and shipping options for the State's value-added craft beverages. The Council requests your favorable support of Senate Bill 476 – Alcoholic Beverages – Manufacturer's Licenses and Off-Site Permits.

The Rural Maryland Council (RMC) is an independent state agency governed by a nonpartisan, 40-member board that consists of inclusive representation from the federal, state, regional, county and municipal governments, as well as the for-profit and nonprofit sectors. We bring together federal, state, county and municipal government officials as well as representatives of the for-profit and nonprofit sectors to identify challenges unique to rural communities and to craft public policy, programmatic or regulatory solutions.